

# Medicare Resources



## When Can I Sign Up For Medicare?

[Enrolling in Medicare Part A & Part B](#)

There are several times when you can enroll in Medicare, and each of those times has certain rules around applying and when your coverage will begin. Understanding when you can enroll and the best time to do so is an integral part of getting your Medicare.

### Initial Enrollment Period

The Initial Enrollment Period (IEP) is the first time you can sign up for Medicare. You may join Medicare Parts A, B, C and D during this time:

### When Is My 7-Month Initial Enrollment Period?

3 months before your 65<sup>th</sup> birthday



3 months after your 65<sup>th</sup> birthday



### Initial Enrollment: When Part B Begins

Sign-up Date	Coverage Begins
During the 3 months before your 65 <sup>th</sup> birthday	The 1st day of your birthday month
The month you turn 65	1 month after enrollment
1 month after you turn 65	2 months after enrollment
2 months after you turn 65	3 months after enrollment
3 months after you turn 65	3 months after enrollment



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## Deciding Whether To Enroll In Medicare Part A And B When You Turn Age 65

CMS has a [Fact Sheet](#) to help you determine whether you should enroll in Medicare part A and Part B. The section below is an excerpt from the fact sheet and is helpful if you participate in a high deductible health plan (HDHP) with a Health Savings Account (HSA).

### CMS Fact Sheet

- I have health insurance based on my (or my spouse's) current employment, from an employer with 20 or more employees (this includes those with Federal Employees Health Benefits (FEHB))

**Note:** If you have COBRA or retiree coverage, or if your employer gives you an amount of money to purchase health insurance, you do NOT have health insurance based on "current employment." If you have one of these types of insurance, you should find that situation in the fact sheet.

### Do I have a health savings account?

Health savings accounts (HSAs) are a special kind of tax-deferred account available only to people who have a high-deductible health plan. HSAs are not the same as a flexible spending account (FSA) or health reimbursement account (HRA).

If you aren't sure if you have an HSA, ask your benefits administrator or plan

- I have an HSA
- I do not have an HSA

Your decision to enroll in Part A and Part B depends on whether you have a high-deductible health plan with a health savings account (HSA):

- I do NOT have a Health Savings Account (HSA)

**Part A:** If you qualify for premium-free Part A, you should enroll in Part A when you turn 65. However, if you have to pay a premium for Part A, you can delay Part A until you (or your spouse) stop working or lose that employer coverage. You will NOT pay a penalty for delaying Part A, as long as you enroll within 8 months of losing your coverage or stopping work (whichever happens first).

**Part B:** You can delay Part B until you (or your spouse) stop working or lose that employer coverage. This allows you to save the cost of your Part B premium. It also allows you to postpone your one-time "Medigap open enrollment period" until a later time, when you may want to purchase this type of coverage.

You will NOT pay a penalty for delaying Medicare, as long as you enroll within 8 months of losing your coverage or stopping work (whichever happens first). You'll want to plan ahead and enroll in Part B at least a month before you stop working or your employer coverage ends, so you don't have a gap in coverage.

- I have a High-Deductible Health Plan AND a Health Savings Account (HSA)

Once you enroll in any part of Medicare, you won't be able to contribute to your HSA. If you would like to continue making contributions to your HSA, you can delay both Part A and Part B until you (or your spouse) stop working or lose that employer coverage. You will NOT pay a penalty for delaying Medicare, as long as you enroll within 8 months of losing your coverage or stopping work (whichever happens first).

You should talk with your employer benefits manager about whether it makes sense to delay Part A and Part B.

**Note:** If you qualify for premium-free Part A, your coverage will go back (retroactively) up to 6 months from when you sign up. So, you should stop making contributions to your HSA 6 months before you enroll in Part A and Part B (or apply for Social Security benefits, if you want to collect retirement benefits before you stop working).



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## When Your Employment Or Employer/Union Coverage Ends

[How Do I Get Parts A & B?](#)

### Once the employment (or your employer/union coverage) ends, 3 things happen:

1. You may be able to get COBRA coverage, which continues your health insurance through the employer's plan (in most cases for only 18 months) and probably at a higher cost to you.
2. You have 8 months to sign up for Part B without a penalty, whether or not you choose COBRA. To sign up for Part B while you're employed or during the 8 months after employment ends, complete an Application for Enrollment in Part B (CMS-40B) and a Request for Employment Information (CMS-L564). If you choose COBRA, don't wait until your COBRA ends to enroll in Part B. If you don't enroll in Part B during the 8 months after the employment ends:
  - You may have to pay a penalty for as long as you have Part B.
  - You won't be able to enroll until January 1–March 31, and you'll have to wait until July 1 of that year before your coverage begins. This may cause a gap in health care coverage.
3. If you already have COBRA coverage when you enroll in Medicare, your COBRA will probably end. If you become eligible for COBRA coverage after you're already enrolled in Medicare, you must be allowed to take the COBRA coverage. It will always be secondary to Medicare (unless you have End-Stage Renal Disease (ESRD)).

[Click here](#) to learn more about how Medicare coverage works with other insurance.



## Health Savings Accounts and Medicare

[Publication 969 \(2020\), Health Savings Accounts and Other Tax-Favored Health Plans](#)

### You Do Not Lose HSA Eligibility Automatically Upon Reaching Age 65!

Only Medicare enrollment causes an individual to lose HSA eligibility.

### Delayed Medicare Enrollment Causes Six-Month Retroactive Enrollment

There are no retroactive enrollment issues for individuals who enroll in Medicare at age 65 (or begin Social Security prior to age 65, and therefore have Part A coverage automatically at 65). However, if you delay enrolling in Medicare until after first becoming eligible (including later application for Social Security benefits), the later Part A enrollment will be retroactive for up to six months, and this retroactive enrollment will block HSA eligibility retroactive to the start of the Medicare coverage.

### How to Address the Retroactive Enrollment

Plan Ahead: Stop making or receiving HSA contributions at least six months before applying for Medicare; or make a corrective distribution of the excess contributions by the due date (including extensions) for filing the individual tax return (generally April 15, without extension).

### HSA Distributions

You are no longer subject to the additional 20% tax on distributions not used for qualified medical expenses after age 65.

Medicare and other health care coverage premiums are qualified medical expenses if you are 65 or older (other than premiums for a Medicare supplemental policy, such as Medigap).